

Government of Jersey  
Union Street | St Helier | Jersey | JE2 3DN

Deputy Catherine Curtis  
Chair – Children, Education and Home Affairs Panel  
**Via email**

2 April 2025

Dear Chair

**P.22/2025 – Draft Jersey Gas Company Amendment Law 202**

Thank you for your [letter](#) in relation to P.22 the Draft Jersey Gas Company Amendment Law 202-

Responses to the Panel's questions centre on the role of an additional supplier of mains gas in Jersey should that situation occur. We consider that there are two considerations to this line of questioning and have provided responses as follows for the consideration of the panel.

The Panel will appreciate that this amendment has been proposed in order to deal with a specific issue at a particular point in time. Wider questions around how the gas market operates and the potential for additional entrants are best dealt with as part of an energy strategy which will include a consideration of the legislative framework for the current and future energy market.

Development work on a strategy is planned over 2025-26 and whilst being led by the Minister for the Environment, will involve working with stakeholders and several Ministers whose portfolios include aspects of energy policy including the Minister for Justice and Home Affairs.

**1. How might an additional supplier of gas be regulated should they enter the market place**

The Jersey Gas Company (Jersey) Law 1989 ("the Law"), as the long title states, is a law to "*re-enact provisions concerning the constitution, organisation, powers and duties of the Jersey Gas Company Limited.*" It does not establish a framework for regulating the mains gas industry beyond the Jersey Gas Company. If an additional supplier of mains gas wished to enter the market, policy work would be undertaken to determine whether there was a need to develop legislation to regulate the gas industry generally or whether existing laws then in place are sufficient to safeguard the public and address any other issues.

**2. Is there a likelihood that an additional company may enter the Jersey energy market?**

Although not impossible, it is considered unlikely that multiple companies would enter the Jersey energy market to transmit and supply gas through the existing network. Small island markets like Jersey, with limited geographic size and significant infrastructure requirements, tend to be more suited to a single provider due to the economies of scale that can be achieved. The costs

of establishing, maintaining, and upgrading mains gas transmission infrastructure can be prohibitive for multiple companies, especially in a market of Jersey's size.

We consider that there might be fewer barriers to entry to the market for suppliers of bottled gas. There are regulations and a Code of Practice issued under the Health and Safety at Work (Jersey) Law 1989 which apply to the supply, storage and distribution of bottled gas. For the reasons stated earlier, the proposed amendments to the Law will apply only to the Jersey Gas Company and therefore the new information gathering (and other) powers would not apply to another provider of mains gas without further legislation being enacted.

The above 2 considerations address all of the Panel's questions, which are repeated below for completeness.

- 3. The Draft Amendment Law appears to place new obligations and reporting requirements solely on the Jersey Gas Company. Are there provisions or contingency measures to govern other potential suppliers or distributors of gas in Jersey, should they emerge?**

See comments 1 & 2

- 4. The Draft Amendment Law enables the Minister to undertake benchmarking exercises to compare the Gas Company's safety measures and service standards with international best practices. However, it is unclear how this will apply in a wider context if additional businesses were to supply gas in Jersey. Could you clarify whether it is intended that other suppliers would be made subject to similar obligations in future?**

See comments 1 & 2

- 5. P.22/2025 grants the States a power to make further amendments (by Regulations) to the Jersey Gas Company (Jersey) Law 1989 and any other enactment relating to gas safety, security, and supply. In practice, does the Government envisage using this Regulation making power to capture any other gas entities, or is it intended to remain specific to the Gas Company only?**

See comment 1

- 6. The Draft Amendment Law imposes a requirement to notify the Minister should there be a "change of control" in the Gas Company. However, the text predominantly refers to that single company's ownership or structure. If Jersey were to liberalise its energy market, might these requirements extend equally to new entrants?**

See comments 1 & 2

Yours sincerely



**Deputy Mary Le Hegarat**  
**Minister for Justice and Home Affairs**

